



ARIZONA STATE RETIREMENT SYSTEM

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Paul Matson
Director

MINUTES OF A MEETING OF THE ARIZONA STATE RETIREMENT SYSTEM OPERATIONS COMMITTEE

HELD ON
Thursday, December 9, 2010
2:30 p.m., Arizona Time

The Operations Committee (OC) of the Arizona State Retirement System (ASRS) met in public session in the 14th Floor Conference Room of the ASRS Office, 3300 North Central Avenue, Phoenix, Arizona 85012. Mr. Steven Zeman, Chair, called the meeting to order at 2:33 p.m.

1. Call to Order; Roll Call; Opening Remarks

Present: Mr. Steven Zeman, Chair
Mr. David Byers (via Teleconference)
Mr. Kevin McCarthy (arrived at 2:38 p.m.)

Absent: Mr. Tom Manos (Vice-Chair)

A quorum of the Committee was not present for the purpose of conducting business and the meeting proceeded as informational only.

2. Presentation, Discussion and Appropriate Action Regarding an ASRS IT Project Review

Mr. Anthony Guarino, Deputy Director and Chief Operations Officer, introduced Mr. Kent Smith, Assistant Director, Technology Services Division (TSD), who presented the Committee with a report on project and production support activities for Year Two of the 3-year IT development plan. The report covered the period of July 1, 2010 to October 31, 2010.

Mr. Smith discussed the following activities: 1) enhancements to the agency website geared toward providing members and employers with more web offerings and more opportunities for self service, 2) development of automated workflows and tracking for manual processes, 3) development of performance reports that support the ongoing management of work processes using the Cognos Reporting Tool, 4) other major work or strategic enhancements that have been identified by various business units to correct operations deficiencies, improve operational efficiency, or will provide cost savings to the agency, and 5) ongoing production support activities during July through October 2010.

Mr. Kevin McCarthy arrived at 2:38 p.m.

A quorum was established for the purpose of conducting business.

3. Approval of the October 28, 2010 Minutes of the OC Meeting

Motion: Mr. Kevin McCarthy moved the minutes of the October 28, 2010, OC meeting be accepted. Mr. David Byers seconded the motion.

By a vote of 3 in favor, 0 opposed, 0 abstentions, and 1 excused, the motion was approved.

4. Presentation, Discussion and Appropriate Action Regarding Review and Revision of the Audit Charter

Mr. Guarino introduced Mr. Bernard Glick, Chief Internal Auditor, who presented the Committee with a proposed revision to the ASRS Audit Charter and a request that the charter be included in the Board Governance handbook.

Motion: Mr. David Byers moved to approve incorporating the revised Audit Charter into the Board Governance Handbook and forward it to the full Board for review during its Governance Handbook review in 2011. Mr. Kevin McCarthy seconded the motion.

By a vote of 3 in favor, 0 opposed, 0 abstentions, and 1 excused, the motion was approved.

5. Presentation, Discussion and Appropriate Action Regarding Performance in the ASRS Member Services Division

Mr. Anthony Guarino introduced Mr. Dave King, Assistant Director, Member Services Division (MSD), who facilitated a presentation to the Committee regarding the performance of the MSD. The MSD program managers addressed the Committee on the various aspects of MSD performance, strategic objectives, initiatives for 2011, and various accomplishments.

The discussion focused on the various program areas within MSD. Mr. Joseph Bonno, Member Services Administrator, provided information on the Member Service Advisory Center. Ms. Sarah Korish, Member Services Administrator, addressed performance in the Production area of MSD. Ms. Julie Lockwood, Member Services Administrator, discussed the Outreach program. Mr. Mike Hostetler, Management Analyst, talked about Member Appeals including email and written correspondence.

Mr. Byers departed the meeting at 3:28 p.m. The meeting proceeded as an informational session since a quorum of the Committee was not present.

6. Presentation, Discussion and Appropriate Action Regarding the OC Charter

Mr. Guarino addressed the Committee regarding the OC Charter. Mr. Guarino said the charter was updated several years earlier and was presenting the current charter to the Committee for review. He stated that staff was not recommending any changes at this time, but said Committee members were welcome to contact staff with any changes they may wish to make.

7. Review of Recently Conducted Audits

- **Cartwright School District**

Mr. Bernard Glick, ASRS Chief Internal Auditor, presented the Committee an audit of the Cartwright School District. He stated the District did not: remit contributions for 42 employees

who were engaged to work at least 20 hours per week for at least 20 weeks in one fiscal year, remit contributions for four employees who were eligible to participate because they were contributing at other ASRS employers, and request a refund for six ineligible members who remitted contributions for part of a fiscal year. Mr. Glick said the District owed the ASRS \$54,433.

8. Presentation, Discussion and Appropriate Action Regarding the 2011 OC Calendar

Mr. Guarino presented a proposed 2011 OC meeting calendar to the Committee. He requested any changes to the proposed calendar be sent to staff.

9. Request for Future Agenda Items

There were no requests.

10. Call to the Public

No members of the public addressed the Committee.

11. Adjournment of the OC

Mr. Steven Zeman adjourned the meeting at 4:00 p.m.

Respectfully Submitted by,

Zachary Kucera
Committee Secretary

Date

Anthony Guarino
Deputy Director and Chief Operations Officer

Date